

## SENATE BILL No. 476

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### DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.3-4-6.

**Synopsis:** Tax exemption for energy used in manufacturing. Exempts gross receipts from the sale of energy that is directly consumed in manufacturing from the utility receipts tax and the utility services use tax.

**Effective:** July 1, 2007.

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### Weatherwax, Alting

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January 16, 2007, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

## SENATE BILL No. 476

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-2.3-4-6 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2007]: **Sec. 6. (a) This section applies only to the following utility**  
4 **services:**

5 (1) **Electrical energy used for power.**

6 (2) **Natural gas, either mixed with another substance or pure,**  
7 **used for power.**

8 (3) **Steam used for power.**

9 (b) **Gross receipts derived from the sale of utility services to a**  
10 **person who acquires the utility services for direct consumption in**  
11 **the direct production of tangible personal property in the person's**  
12 **business of manufacturing are exempt from the utility receipts tax.**

13 SECTION 2. [EFFECTIVE JULY 1, 2007] **The definitions in**  
14 **IC 6-2.3 apply throughout this SECTION. IC 6-2.3-4-6, as added**  
15 **by this act, applies only to transactions occurring after June 30,**  
16 **2007. A transaction shall be considered as having occurred before**  
17 **July 1, 2007, to the extent that the agreement of the parties to the**



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1 transaction was entered into before July 1, 2007, and payment for  
2 the utility services furnished in the transaction is made before July  
3 1, 2007, notwithstanding the delivery of the utility services after  
4 June 30, 2007. Transactions for which the charges are collected  
5 upon original statements and billings dated after June 30, 2007,  
6 shall be considered as having occurred after June 30, 2007.

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